

FEDERAL COMMUNICATIONS COMMISSION

Washington, D. C. 20554

JAN 29 2003

OFFICE OF  
MANAGING DIRECTOR

Martin L. Stem, Esq.  
Edward B. Krachmer, Esq.  
Preston Gates Ellis & Rouvelas Meeds LLP  
1735 New York Avenue, N.W.  
Suite 500  
Washington, D.C. 20006

Re: PC Landing Corp., Debtor-in-Possession, Petition for Deferral  
of Application Fees for Pro Forma Assignment of Submarine  
Cable Landing License to Debtor-in-Possession  
Fee Control No. 0209138115733001

Dear Mr. Stem:

This letter responds to your request submitted on behalf of PC Landing Corp., Debtor-in-Possession (PC Landing, DIP) for a deferral of the application fee of \$860 in connection with the pro forma assignment of PC Landing Corp.'s (PC Landing's) cable landing license for its Pacific Crossing cable system (FCC File No. SCL-98-006) to PC Landing Corp., DIP. Our records reflect that you have paid the application fee at issue here.

In your request, you state that on July 19, 2002, Pacific Crossing Ltd. (Pacific Crossing) and certain of its affiliates, including PC Landing, filed petitions for Chapter 11 bankruptcy reorganization in the United States Bankruptcy Court in Delaware. You have provided us with a petition for bankruptcy filed with that court, dated July 19, 2002, to evidence this fact. On August 7, 2002, in connection with the bankruptcy filing, PC Landing filed an application for the pro forma assignment of its Pacific Crossing cable landing license to PC Landing, DIP. You state that because of the bankruptcy filing, PC Landing is unable to pay the application fee unless the Bankruptcy Court approves the expenditure. You state that a hearing on the expenditure of PC Landing's funds is scheduled for August 20, 2002 and you request a deferral of the filing fees until the court issues its ruling on that issue. On September 12, 2002, you informed the Commission that the court had approved the expenditure of funds for the payment of the instant application fee. You thereupon paid the fee.



Section 1.1117(a) of the Commission's rules, 47 C.F.R. §1.1117(a), provides that filing fees may be deferred upon a showing of good cause and a finding that the public interest will be served thereby. In view of the fact that you have paid the application fee for the pro forma assignment of PC Landing's cable landing license, your request for deferral of payment is now moot. Therefore, your request will be dismissed.

Martin L. Stem, Esq.  
Edward B. Krachmer, Esq.

2.

If you have any questions concerning this letter, please contact the Revenue and Receivables Operations Group at (202) 418-1995.

Sincerely,

  
 Mark A. Reger  
Chief Financial Officer

00000RR06-02-066

**.Preston|Gates|Ellis &  
Rouvelas|Meeds LLP**

MARTIN L. STERN  
DIRECT DIAL: (202) 662-8468

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AUG - 7 2002

August 7, 2002

Federal Communication Commission  
Bureau / Office

**VIA HAND DELIVERY**

Mr. Andrew S. Fishel  
Managing Director  
Federal Communications Commission  
445 Twelfth Street, S.W.  
Washington, D.C. 20554

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ASSOC. MNG. DIR.  
FINANCIAL OPERATIONS  
(400-50)

Re: ***PC Landing Corp., Debtor-in-Possession, Petition for Deferral of International Bureau Application Processing Fees for Pro Forma Assignment of Submarine Cable Landing License to Debtor-in-Possession***

Dear Mr. Fishel:

PC Landing Corp., Debtor-in-Possession, by its undersigned counsel, pursuant to Section 1.1117 of the Rules of the Federal Communications Commission ("Commission"), respectfully requests a deferral of the FCC application fees associated with the attached Application for consent to the *proforma* assignment of the submarine cable landing license, which is being concurrently filed with the International Bureau. PC Landing Corp. believes that this petition is made for good cause and that the granting of this Petition would serve the public interest. As detailed below, good cause **also** exists for a waiver of the requirement in Section 1.1117(e) that the filing fee in question be filed with this request, to the extent required by that **rule**.

PC Landing Corp., a wholly owned subsidiary of Pacific Crossing Ltd. ("Pacific Crossing"), holds the U.S. cable landing license for the Pacific Crossing cable system (PC-1). On July 19, 2002, Pacific Crossing, PC Landing Corp. and **certain other** affiliates of Pacific Crossing, commenced a voluntary Chapter 11 case in the United States Bankruptcy Court in Delaware. *In re PC Landing Corp., et al.*, Chap. 11 Case No. 02-12086 (PJW) (Bankr. D. Del.). PC Landing Corp. filed the attached application in order to obtain Commission consent, to the extent required, of the *proforma* assignment of its cable landing license to PC Landing Corp., Debtor-in-Possession.

<sup>1</sup> 47 CFR § 1.1117.

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② P. H. & Tom P.  
③ 30 Dy. H. L. L.

Mr. Andrew S. Fishel  
August 7, 2002  
Page 2

In light of PC Landing Corp.'s Chapter 11 filing, the company is unable to expend any funds pending authority ~~from~~ the court to use cash collateral that the lenders **assert** a lien in. A hearing on a motion relating to that issue is scheduled for August 20, 2002. Rather than delay the filing of the attached Application, PC Landing Corp. asks for a deferral of the associated filing fee, pending bankruptcy court resolution of **this** issue. To the extent the ~~bankruptcy court~~ declines to authorize the expenditure of funds such that the company is unable to pay the **fees** associated with the application, PC Landing Corp. will, at that time, request a waiver of the **fee**.

Accordingly, PC Landing Corp. for good cause shown and consistent with the public interest, asks that the Commission defer payment of the filing fee associated with the attached Application, pending authorization of the expenditure of funds by the bankruptcy court. Should you have any questions concerning **this** request, or require additional information, please do not hesitate to contact the undersigned.

Respectfully Submitted,

**PC LANDING CORP.**  
**(DEBTOR-IN-POSSESSION)**

By: 

Martin L. Stem  
Edward B. Krachmer  
Preston Gates Ellis & Rouvelas **Meeds LLP**  
1735 New York Avenue, N.W., Suite 500  
Washington, D.C. 20006  
(202) 628-1700 (Tel)  
(202) 331-1024 (Fax)

*Attorneys for PC Landing Corp.*  
*(Debtor-in-Possession)*

Attachment

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	
	)	
PC Landing Corp.	)	File No. SCL-ASG-2002_____
	)	
Application for Authority for a Pro Forma	)	
Assignment of a Cable Landing License	)	

**APPLICATION**

PC Landing Corp., by and through its undersigned counsel and pursuant to ~~the~~ Act Relating to the Landing **and** Operation of **Submarine** Cables in the United States, **47** U.S.C. §§ **34-39**, Section **1.767** of the Commission's Rules, **47** C.F.R. **\$1.767**, and Executive Order No. **10530**, hereby requests approval for the *pro forma* assignment of its cable landing license for the Pacific Crossing cable **system** ("PC-1") (FCC File No. SCL-**98-006**) to PC **Landing Corp.**, as Debtor-in-Possession.

PC Landing Corp. is ~~a~~ wholly owned subsidiary of Pacific Crossing Ltd. ("Pacific Crossing").' ~~On~~ July **19,2002**, Pacific Crossing, PC Landing Corp., and ~~certain~~ **other** affiliates of Pacific Crossing, commenced voluntary Chapter 11 **cases** in the United States Bankruptcy Court in Delaware? ~~In re~~ PC Landing *Corp.*, *et al.*, Chap. 11 **Case** No. **02-12086 (PJW) (Bankr. D. Del.)**.

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<sup>1</sup> Pacific Crossing is 85.5% owned by Asia Global Crossing Ltd ("AGC") through two wholly owned subsidiaries of AGC. AGC is 58.9% owned by Global Crossing Ltd, with Microsoft Corporation and Softbank AGCH Holdings Ltd. each holding 14.7% interests. The remaining 11.7% of AGC is held by the public and othm. On January 28,2002, Global Crossing Ltd. and ~~certain~~ of its subsidiaries filed voluntary petitions under Chapter 11 of the United States Bankruptcy code. *In re Global Crossing Ltd., et al.*, Chap. 11 **Case Nos.** 02-40187, *et al.* (Bankr. S.D.N.Y.).

<sup>2</sup> AGC is not a party to Pacific Crossing's Chapter 11 filing.

In order to maintain the confidentiality of PC Landing Corp.'s impending Chapter 11 filing and the rapid unfolding of events leading up to the bankruptcy filing, PC Landing Corp. could not **seek** prior approval, to the extent required by the Commission's rules, of the instant proforma assignment. PC Landing Corp. therefore requests that the Commission grant it a waiver of the conditions of its cable landing license to the extent, if any, that those conditions require it to obtain prior approval for a *pro forma* assignment in connection with a Chapter 11 filing. Because **this** transaction is proforma in nature, PC Landing Corp. requests that the FCC grant **this** application pursuant to its grant stamp procedure.

PC Landing Corp. certifies that any transfer of control or assignment that has occurred **as** a result of the Chapter 11 petition is proforma pursuant to 47 C.F.R. §63.24(a). PC Landing Corp. **also** certifies that the Chapter 11 petition does not change **the** ultimate control of Pacific Crossing or PC Landing Corp.

In accordance with Section 1.767 of the Commission's Rules, PC Landing Corp. submits the following information:

(1) Name, address and telephone number:

Assignor and

Licensee: PC Landing Corp.  
11150 Santa Monica Blvd., Suite 400  
Los Angeles, CA 90025

Assignee.: PC Landing Corp. (Debtor-in-Possession)  
11150 Santa Monica Blvd., Suite 400  
Los Angeles, CA 90025

(2) Assignors and

Licensees: PC Landing Corp. is a corporation organized under the laws of the State of Delaware.

Assignees: PC Landing Corp. (Debtor-in-Possession) is a corporation organized under the laws of the State of Delaware.

- (3) Correspondence concerning **this** application should be sent to:

Martin L. Stem  
Megan H. Troy  
Preston Gates Ellis & Rouvelas ~~Meeds~~ LLP  
1735 New York Avenue, N.W., Suite 500  
Washington, D.C. 20006  
(202) 628-1700 (Tel.)  
(202) 331-1024 (Fax)

- (4) The description of the PC-1 cable network is **on** file with the Commission in the original license files and **are** incorporated herein by reference.
- (5) A general description of PC-1's cable landing locations are already **on** file with the Commission in the original license files and **are** incorporated herein by reference.
- (6) PC-1 is operated **on a** non-common **carrier** basis.
- (7) On July 19, 2002, Pacific Crossing, PC Landing **Corp.**, and *certain* other affiliates of Pacific Crossing, commenced voluntary Chapter 11 **cases** in the United States **Bankruptcy** Court in Delaware. *In re PC Landing Corp., et al*, Chap. 11 Case No. 02-12086 (**PJW**) (**Bankr.** D. Del.). **As** Debtors-in-Possession, Pacific Crossing and PC Landing **Corp.** continue in possession of their property and management **of** their businesses pursuant to **Sections** 1107 and 1108 of the **Bankruptcy** Code. PC Landing Corp. intends to continue its operations **during** the reorganization. **There has been no** change in the directors, **officers**, management or shareholders of PC Landing Corp. **as** a result of the Chapter 11 petition. The voting and ownership interests in PC-1 have not changed **as** a result of **such filii**, other **than** with the respect to associated transfers of **system segments to** the respective Debtors-in-Possession of Pacific Crossing and its affiliates.
- (8) The foreign **carrier** affiliations of PC Landing Corp. have not changed **as** a result **of this** filing.
- (9) PC Landmg Corp. **as** Debtor-in-Possession, certifies that it will abide by the conditions specified in PC Landing Corp.'s cable landing license.
- (10) PC Landing Corp.'s cable landing license includes the standard condition historically included in cable landing licenses generally **requiring** prior Commission consent to assignments and transfers **of** control.' There are

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<sup>3</sup> *PC Landing Corp.*, 13 FCC Rcd 23,384, ¶ 19(5). (1998).

no specific Commission procedures for bankruptcy filings by cable landing licensees, though PC Landing Corp. understands that bankruptcy filings (whether initiated by the licensee or its creditors) are generally treated as *pro forma* assignments! To the extent the Commission believes that prior approval would be required for the *pro forma* assignment of PC Landing Corp.'s cable landing license to the Debtor-in-Possession, the company seeks a waiver of the prior consent condition of its cable landing license.

Waiver is appropriate when special circumstances warrant a deviation from the general rule and such deviation would better serve the public interest than strict adherence to the general rule.<sup>5</sup> The instant case merits such a waiver. The events leading up to PC Landing Corp.'s bankruptcy filing unfolded rapidly; and, during such time, maintaining the confidentiality of the impending bankruptcy was of the utmost importance. In addition, as noted above, there are no specific FCC rules addressing what procedures apply in the case of a bankruptcy involving cable landing licensees.

Moreover, post-filing notification in the context of a bankruptcy filing, particularly under the circumstances presented here, would be consistent with the Commission's new cable landing licensing rules, which took effect on March 15, 2002. Those rules allow holders of cable landing licenses issued prior to the rules' effective date, to notify the Commission within 30 days of the *pro forma* transaction, notwithstanding the prior Commission consent condition for assignments and transfers in existing cable landing license.

In order to take advantage of this post-proforma transaction notification option, an existing licensee is required to apply to the Commission to modify its license to incorporate this limited *pro forma* transaction exception to the license condition requiring prior Commission consent to transfers and assignments. While PC Landing Corp.'s landing license has not been modified to incorporate the new *pro forma* exception, PC Landing Corp. is concurrently filing herewith the required modification application! In addition, pending grant of that application, PC Landing

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<sup>4</sup> See Report and Order, *Matter of Implementation of Further Streamlining Measures for Domestic Section 214 Authorizations*, CC Docket No. 01-150, FCC No. 02-78 § 54 (rel. March 21, 2002) (noting, in the domestic Section 214 context, that transfers to a debtor-in-possession under Chapter 11 will be treated as *pro forma* transactions); Report and Order, *Matter of 2000 Biennial Regulatory Review*, IB Docket No. 00-231 (rel. June 10, 2002) (noting in Note 2 to 47 C.F.R. § 63.24(g), "[I]n the case of an involuntary assignment or transfer of control to (1) a bankruptcy trustee appointed under involuntary bankruptcy . . . the applicant must make the appropriate filing no later than 30 days after the event causing the involuntary assignment or transfer of control).

<sup>5</sup> *Northeast Cellular Tel. Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990).

<sup>6</sup> On April 15, 2002 Global Crossing Ltd. filed an application to add the *pro forma* condition to the landing licenses held by several of its subsidiaries. While PC Landing Corp. was initially included in that



Corp. agrees to be bound by the conditions and procedures set forth in ~~the~~ Commission's new rules for pro forma transactions and has provided herein all information required by those rules in connection with a pro ~~forma~~ transaction. In addition, given the exigencies of its bankruptcy filing, Commission consent to post-filing notification, even in circumstances where a licensee has not opted into the new condition, would be in the public interest.

## **CONCLUSION**

For the reasons stated above, PC Landing Corp. respectfully submits that the public interest, convenience and necessity would be furthered by a grant of ~~this~~ application for proforma assignment of the cable landing license held by PC Landing Corp.

Respectfully submitted,

**PC LANDING CORP.  
(DEBTOR-IN-POSSESSION)**

By: 

Martin L. Stern

~~Megan~~ Troy

Preston Gates Ellis & Rouvelas ~~Meeds~~ LLP

1735 New York Avenue, N.W. Suite 500

Washington, D.C. 20006

(202) 628-1700

*Attorneys for PC Landing Corp.  
(Debtor-in-Possession)*

Dated: **August 7, 2002**

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application, the application ~~was~~ subsequently amended to remove the request to add the proforma condition to the F'C-I landing license held by PC Landing Corp.

**CERTIFICATION OF PC LANDING CORP. (DEBTOR-IN-POSSESSIO'')**

On behalf of PC Landing ~~Corp.~~ (Debtor-in-Possession), I hereby certify that the statements in the foregoing Application are true, complete, and correct to the best of my knowledge and are made in good faith. I ~~further~~ certify that PC Landing ~~Corp.~~ (Debtor-in-Possession) is not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

By:

Name: W. BRUCE COMER TM

Title: CPO

Dated: August 6, 2002

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RAMIS ACCOUNTS RECEIVABLE - (c) DSG, Inc.  
RECEIPTS DETAIL REPORT  
SORTED BY TRANSACTION DATE, CO NO., FEE CONTROL NO

PAGE 1  
12/02/2002  
10:14:38

CD NO.	CO DATE	FEE CONTROL NO.	FRN	PAYER NAME	TRANSACTION DATE	RECEIPT AMOUNT
730399	9/12/02	0209138115733001	0007509656	Pc Landing Corp. <Debtor-in-Po	9/12/02	1860.00

Seq: 1 call sign: FCC Code 1: FCC code 2: Tin Number: 0510388204  
PTC: CUT QTY: 1 Applied Amt: 860.00  
Applicant Name: PC LANDING CORP  
Address: 11150 SANTA MONICA BLVD

Total: \$860.00